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# Contra aid bill sinking as revelations mount

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Washington, D.C.—The Senate decided last week to delay a vote on the Central America military aid package until the Reagan administration can round up more support for its \$21 million request for the Nicaraguan contras. But as the Senate waited, political bombshells were exploding on Capitol Hill.

The first blow-up occurred with the leak of a secret congressional study claiming the administration has spent more for the contras than Congress has allotted. Charges by a U.S. spy who came in from the cold then shook the very foundations of the administration's justification for the CIA-directed war against Nicaragua.

Critics' contentions that the administration is making an end run around Congress were substantiated by an unpublished study prepared by the Democratic staff of the House Intelligence Committee. "The story is that they [the CIA] have overdrawn," a committee member revealed. "They've been transferring accounts in order to be sure that the [anti-Sandinista] insurgents could continue for the rest of the fiscal year."

It is unclear exactly how much the administration has spent beyond the \$24 million Congress appropriated in 1984 for the Nicaraguan counterrevolutionaries. But as Rep. Wyche Fowler (D-Ga.) put it, "This is a serious charge . . . there's a law that says they can't spend more."

## JUGGLING THE ACCOUNTS

Sources say that the financing of the "mother ship," which directed the CIA's mining of Nicaraguan harbors earlier this year, represents one example of "account juggling," as does the construction of airfields in Honduras used by the agency. At issue is whether these operations should be charged to the CIA's contra account, to the agency's overall and secret operating budget, or to the Defense Department.

David MacMichael, a former CIA analyst, meanwhile caused the biggest stir here when he blasted the administration's rationale for its war against Nicaragua. "The administration and the CIA have systematically misrepresented Nicaraguan involvement in the supply of arms to the Salvadoran guerrillas to justify its efforts to overthrow the Nicaraguan government," MacMichael charged. A specialist in Central America affairs, MacMichael says that the CIA refused to renew his consultant contract after he repeatedly pointed out to his superiors that the agency lacked concrete evidence proving that the Sandinistas were sending large quantities of arms to the rebels in El Salvador.

## FALSE IMAGE

"The whole picture that the administration has presented of Salvadoran insurgent operations being planned, directed and supplied from Nicaragua is simply not true," he told the New York Times. "There has not been a successful interdiction, or a verified report of arms moving from Nicaragua to El Salvador since April 1981."

MacMichael explained that he felt compelled to speak out because he fears the Reagan administration is heading toward "a major military intervention." "I think Congress and the public should know that within the CIA there is pressure to bend information to fit policy," he declared.

MacMichael's charges, combined with the leaked House Intelligence Committee staff report, are not going to help the Reagan administration persuade Congress to provide additional funding for the contras. The House last month approved \$62 million in military aid for the Salvadoran government but it refused to appropriate more money for the Nicaraguan counterrevolutionaries. Senate Majority Leader Howard Baker (R-Tenn.) is reluctant to put the CIA operation to another vote in his chamber, where similar measures have been previously passed, until its chances improve in the House.

The White House, for its part, continues to play hardball on the issue. The administration recently turned down a compromise suggested by Rep. Edward Boland (D-Mass.), chair of the House intelligence panel. He proposed providing \$4 million-\$6 million to "wind down" U.S. support for the contras. "The worst signal we can send the Nicaraguans now is to cut the aid for the contras off," one Reagan aide said in explaining why Boland's offer had been rejected.

This maneuvering occurred against the backdrop of Secretary of State George Shultz's surprise visit to Nicaragua June 1 (see story, page 15).

In a related but unexpected move, John Tower (R-Tex.), chair of the Senate Armed Services Committee, trimmed \$4.4 million from a 1985 Pentagon authorization bill for construction of two U.S. bases in Honduras.

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Tower, an ardent hawk, acted to preempt an amendment that Sen. Jeff Bingaman (D-N.M.) had planned to offer on the Senate floor in order to galvanize debate on the U.S. military presence in Honduras.

#### WAR GAMES END

"I find these facilities particularly hard to justify in light of the President's assertion at his May 22 press conference that our friends and neighbors in Central America don't want American manpower there," Bingaman declared. The Senate then approved, however, \$4.3 million for a U.S. Army "contingency facility" in Honduras.

The administration meanwhile announced June 8 that large-scale U.S. war games in Honduras have ended, thus reducing the number of U.S. military personnel there from 1700 to 700. Officials said no big exercises are planned until after November, apparently reflecting the White House's election-year concern over public attention to the growing U.S. military presence in the region.